

1 ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS

2
3 In the Matter of the Mortgage Broker License of:

No. 08F-BD069-BNK

4 **WHOLESALE AMERICA MORTGAGE,**
5 **INC., and RONALD D. PERKINS, JR.,**
6 **PRESIDENT,**
6200 Stoneridge Mall Road, Ste. 250
Pleasanton, California 94588

**ORDER OF SUMMARY SUSPENSION
AND NOTICE OF HEARING TO
REVOKE**

7 Respondents.
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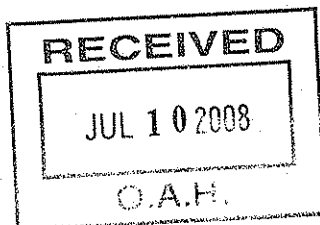
9 The Arizona Department of Financial Institutions (the "Department") hereby finds that
10 Wholesale America Mortgage, Inc., and Ronald D. Perkins, Jr., ("Respondents") have violated
11 the provisions of the Arizona Revised Statutes ("A.R.S."), Title 6 as set forth below and finds
12 that the public health, safety and welfare require emergency action pursuant to A.R.S. §§ 6-905
13 and 41-1092.11(B).

14 **THEREFORE, IT IS ORDERED** to summarily suspend the Arizona mortgage broker
15 license held by Respondents, effective immediately, pending the proceedings for revocation or
16 other action commenced this date. **This suspension is effective immediately.**

17
18 EFFECTIVE this 9th day of July, 2008.

19
20
21 By

Felecia A. Rotellini
Felecia A. Rotellini
Superintendent of Financial Institutions



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21 Felecia A. Rotellini
22 Superintendent of Financial Institutions
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The purpose of the Hearing is: (1) to determine whether grounds exist to suspend or revoke Respondents' mortgage broker license; (2) to order any other remedy necessary or proper for the enforcement of statutes and rules regulating mortgage brokers in Arizona pursuant to A.R.S. §§ 6-123 and 6-131; and (3) to impose a civil money penalty pursuant to A.R.S. § 6-132.

Motions to continue this matter shall be made in writing to the Administrative Law Judge **not less than fifteen (15) days** prior to the date set for the Hearing. A copy of any motion to continue shall be mailed or hand-delivered to the opposing party on the same date of filing with the Office of Administrative Hearings.

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1 by counsel, or to proceed without counsel when submitting evidence, to have a reasonable
2 opportunity to inspect all documentary evidence, to cross-examine witnesses, to present
3 evidence and witnesses in support of his/her interests, and to have subpoenas issued by the
4 Administrative Law Judge to compel attendance of witnesses and production of evidence.
5 Pursuant to A.R.S. § 41-1092.07(B), any person may appear on his or her own behalf or by
6 counsel.

7 Pursuant to A.R.S. § 41-1092.07(E), a clear and accurate record of the proceedings will
8 be made by a court reporter or by electronic means. Any party that requests a transcript of the
9 proceedings shall pay the cost of the transcript for the court reporter or other transcriber.

10 Questions concerning issues raised in this Notice of Hearing should be directed to
11 Assistant Attorney General Liane C. Kido, (602) 542-8011, 1275 West Washington, Phoenix,
12 Arizona 85007.

13 NOTICE OF APPLICABLE RULES

14 The hearing will be conducted pursuant to A.A.C. R20-4-1201 through R20-4-1220 and
15 the rules governing procedures before the Office of Administrative Hearings, A.A.C. R2-19-101
16 through R2-19-122. A copy of these rules is enclosed.

17 Pursuant to A.A.C. R20-4-1209, Respondents shall file a written answer **within twenty**
18 **(20) days** after issuance of this Notice of Hearing. The answer shall briefly state the
19 Respondents' position or defense and shall specifically admit or deny each of the assertions
20 contained in this Notice of Hearing. If the answering Respondents are without or are unable to
21 reasonably obtain knowledge or information sufficient to form a belief as to the truth of an
22 assertion, Respondents shall so state, which shall have the effect of a denial. Any assertion not
23 denied is deemed admitted. When Respondents intend to deny only a part or a qualification of
24 an assertion, or to qualify an assertion, Respondents shall expressly admit so much of it as is
25 true and shall deny the remainder. Any defense not raised in the answer is deemed waived.
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If a timely answer is not filed, pursuant to A.A.C. R20-4-1209(D), Respondents will be deemed in default and the Superintendent may deem the findings in this Notice of Hearing as true and admitted and the Superintendent may take whatever action is appropriate, including (1) suspension or revocation of Respondents' license; (2) any other remedy necessary or proper for the enforcement of statutes and rules regulating mortgage brokers in Arizona pursuant to A.R.S. §§ 6-123 and 6-131; and (3) imposing a civil money penalty pursuant to A.R.S. § 6-132.

Respondents' answer shall be mailed or delivered to the Arizona Department of Financial Institutions, 2910 North 44th Street, Suite 310, Phoenix, Arizona 85018, with a copy mailed or delivered to the Office of Administrative Hearings, 1400 West Washington, Suite 101, Phoenix, Arizona 85007 and to Assistant Attorney General Liane C. Kido, Consumer Protection & Advocacy Section, Attorney General's Office, 1275 West Washington, Phoenix, Arizona 85007.

Persons with disabilities may request reasonable accommodations such as interpreters, alternative formats, or assistance with physical accessibility. Requests for special accommodations must be made as early as possible to allow time to arrange the accommodations. If accommodations are required, call the Office of Administrative Hearings at (602) 542-9826.

FINDINGS

1. Respondent Wholesale America Mortgage, Inc., ("Wholesale America") is a California corporation authorized to transact business in Arizona as a mortgage broker, license number MB 0905273, within the meaning of A.R.S. §§ 6-901, *et seq.* The nature of Wholesale America's business is that of making, negotiating, or offering to make or negotiate loans secured by Arizona real property, within the meaning of A.R.S. § 6-901(6).

2. Respondent Ronald D. Perkins, Jr., ("Mr. Perkins") is the only member and one hundred percent (100%) owner of Wholesale America. Mr. Perkins is authorized to transact

1 business in Arizona as a mortgage broker within the meaning of A.R.S. § 6-903(E).

2 3. Wholesale America, before conducting business as a mortgage broker, is required
3 to have a surety bond, deposited with the Superintendent, pursuant to A.R.S. § 6-903(G), in the
4 required amount pursuant to A.R.S. § 6-903(H).

5 4. On March 6, 2008, the Department received a Notice of Cancellation/Non-
6 Renewal from The Hartford Fire Insurance Company, stating that Wholesale America's surety
7 bond, number 57BSBER6222, in the amount of fifteen thousand dollars (\$15,000.00), is
8 cancelled, effective April 12, 2008.

9 5. On March 7, 2008, the Department sent a letter via certified mail to Wholesale
10 America, informing them of the bond cancellation. The letter was addressed to Wholesale
11 America Mortgage, Inc., Attn: Ronald D. Perkins, it was received and signed for on March 10,
12 2008.

13 6. The Department also contacted Wholesale America by email, to inform them of
14 Wholesale America's obligation to replace the cancelled bond and the steps which would be
15 taken if Wholesale America failed to replace the bond. The email was returned as
16 undeliverable.

17 7. Wholesale America failed to provide documentation of a new surety bond.

18 8. The mortgage broker license of Wholesale America is suspended, effective as of
19 July 9, 2008.

20 9. Wholesale America does not have the required surety bond in order to conduct
21 business as a mortgage broker.

22 10. The conduct described above constitutes an immediate threat to the public health,
23 safety, and welfare, warranting immediate suspension of Respondents' mortgage broker license
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1 because Respondents are able to conduct business in Arizona as a licensed mortgage broker and
2 they do not have the required surety bond.

3 11. The conduct described above constitutes grounds for revocation of Respondents'
4 mortgage broker license.

5 LAW

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7 1. Pursuant to A.R.S. Title 6, Chapter 9, the Superintendent has the authority and
8 duty to regulate all persons engaged in the mortgage broker business and with the enforcement
9 of statutes, rules, and regulations relating to mortgage brokers.

10 2. By the conduct set forth above in the Complaint, Wholesale America and Mr.
11 Perkins violated A.R.S. § 6-903(G) by failing to maintain the required surety bond.

12 3. Respondents have not conducted business in accordance with the law and
13 violated Title 6, Chapter 9 and the rules relating to this chapter, which are grounds for the
14 suspension or revocation of Respondents' license pursuant to A.R.S. § 6-905(A)(3).

15 4. The violations, set forth above, constitute grounds for the pursuit of any other
16 remedy necessary or proper for the enforcement of statutes and rules regulating mortgage
17 brokers in Arizona pursuant to A.R.S. §§ 6-123 and 6-131.

18 5. Pursuant to A.R.S. § 6-132, Respondents' violations of the aforementioned
19 statutes are grounds for a civil penalty of not more than five thousand dollars (\$5,000.00) for
20 each violation for each day.

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22 WHEREFORE, if after a hearing, the Superintendent makes a finding of one or more of
23 the above described violations or other grounds for disciplinary action, the Superintendent may:
24 (1) suspend or revoke Wholesale America and Mr. Perkins's mortgage broker license pursuant
25 to A.R.S. § 6-905; (2) order any other remedy necessary or proper for the enforcement of
26

1 statutes and rules regulating mortgage brokers in Arizona under A.R.S. §§ 6-123 and 6-131; and
2 (3) impose a civil penalty pursuant to A.R.S. § 6-132.

3 DATED this 9th day of July, 2008.

4
5 By Felecia Rotellini
6 Felecia A. Rotellini
7 Superintendent of Financial Institutions

8 ORIGINAL of the foregoing filed this 9th
9 day of July, 2008, in the office of:

10 Felecia Rotellini
11 Superintendent of Financial Institutions
12 Arizona Department of Financial Institutions
13 ATTN: Susan Longo
14 2310 N. 44th Street, Suite 310
15 Phoenix, Arizona 85018

16 COPY mailed/delivered same date to:

17 Lewis Kowal, Administrative Law Judge
18 Office of Administrative Hearings
19 1400 West Washington, Suite 101
20 Phoenix, Arizona 85007

21 Richard Fergus, Division Manager Licensing
22 Arizona Department of Financial Institutions
23 2910 N. 44th Street, Suite 310
24 Phoenix, Arizona 85018

25 AND COPY MAILED SAME DATE, by
26 Certified Mail, Return Receipt Requested to:

Wholesale America Mortgage, Inc.
Attn: Ronald D. Perkins, Jr.
6200 Stoneridge Mall Road, Ste. 250
Pleasanton, California 94588

Wholesale America Mortgage, Inc.
C/O Billy J. Boulden, Statutory Agent
2159 McCulloch Blvd, #4
Lake Havasu City, Arizona 86403

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By: Juan Lingo

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